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FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF
ST. LANDRY AND ST. MARTIN

FINANCIAL REPORT

JUNE 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/27/10

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BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

4112 West Congress
P.O. Box 61400
Lafayette, Louisiana 70596-1400
phone: (337) 988-4930
fax: (337) 984-4574
www.bplb.com

Other Offices:

Crowley, LA
(337) 783-5693

Opelousas, LA
(337) 942-5217

New Iberia, LA
(337) 364-4554
Church Point, LA
(337) 684-2855

Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
P. John Blanchet, III, CPA*
Martha B. Wyatt, CPA*
Mary A. Castille, CPA*
Joey L. Breaux, CPA*
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ACCOUNTANTS' REPORT

To the Board of Commissioners
First Hospital Service District of the
Parishes of St. Landry and St. Martin
State of Louisiana
Arnaudville, Louisiana

We have reviewed the accompanying basic financial statements of the business-type activities of First Hospital Service District of the Parishes of St. Landry and St. Martin, State of Louisiana, a component unit of the St. Landry Parish Government, as of and for the years ended June 30, 2009 and 2008, as listed in the table of contents. All information included in these financial statements is the representation of the management of the First Hospital Service District of the Parishes of St. Landry and St. Martin, State of Louisiana.

Our review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of Governmental Auditing Standards issued by the Comptroller General of the United States of America. A review consists principally of inquiries of First Hospital Service District of the Parishes of St. Landry and St. Martin, State of Louisiana's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provision of state law, we have issued a report, dated December 21, 2009, on the results of our agreed-upon procedures.

First Hospital Service District of the Parishes of St. Landry and St. Martin, State of Louisiana has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The schedule of compensation paid to the board of commissioners on page 10 is not a required part of the basic financial statements, but is supplementary information presented only for supplementary analysis purposes. We have compiled the schedule from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Broussard, Poché, Lewis & Breaux, L.L.P.

Lafayette, Louisiana
December 21, 2009

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Public Accountants

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**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

**BALANCE SHEETS
June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,465,403	\$ 1,380,761
Rent receivable	38,762	32,538
Certificate of deposit	275,000	275,000
Accrued interest receivable	6,244	6,746
Prepaid expenses	<u>2,822</u>	<u>2,822</u>
Total current assets	\$ 1,788,231	\$ 1,697,867
PROPERTY, PLANT AND EQUIPMENT	<u>358,184</u>	<u>310,723</u>
Total assets	<u>\$ 2,146,415</u>	<u>\$ 2,008,590</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 171,837	\$ 171,837
Accrued expenses	6,405	12,797
Estimated third-party payor settlements	<u>231,899</u>	<u>231,899</u>
Total liabilities	<u>\$ 410,141</u>	<u>\$ 416,533</u>
NET ASSETS		
Invested in capital assets net of related debt	\$ 316,038	\$ 310,723
Unrestricted	<u>1,420,236</u>	<u>1,281,334</u>
Total net assets	<u>\$ 1,736,274</u>	<u>\$ 1,592,057</u>
Total liabilities and net assets	<u>\$ 2,146,415</u>	<u>\$ 2,008,590</u>

See Accompanying Notes and Accountants' Report.

FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenues:		
Lease income	\$ 70,800	\$ 70,800
Miscellaneous	<u>1,587</u>	<u>437</u>
Total operating revenues	<u>\$ 72,387</u>	<u>\$ 71,237</u>
Operating expenses:		
Depreciation	\$ 45,252	\$ 39,485
Administrative expenses	10,980	11,319
Repairs and maintenance	13,455	33,872
Office expense	465	194
Insurance	14,848	13,259
Professional services	4,800	4,200
Miscellaneous	<u>-</u>	<u>132</u>
Total operating expenses	<u>\$ 89,800</u>	<u>\$ 102,461</u>
Operating loss	<u>\$ (17,413)</u>	<u>\$ (31,224)</u>
Nonoperating revenues:		
Ad valorem taxes	\$ 149,299	\$ 140,246
Interest income	<u>12,331</u>	<u>18,636</u>
Total nonoperating revenues	<u>\$ 161,630</u>	<u>\$ 158,882</u>
Increase in net assets	\$ 144,217	\$ 127,658
Net assets beginning of the year	<u>1,592,057</u>	<u>1,464,399</u>
Net assets end of the year	<u>\$ 1,736,274</u>	<u>\$ 1,592,057</u>

See Accompanying Notes and Accountants' Report.

FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from lessee	\$ 165,066	\$ 148,796
Payments to suppliers and contractors	(139,643)	(132,926)
Payments to employees	<u>(10,200)</u>	<u>(10,200)</u>
Net cash provided by operating activities	\$ 15,223	\$ 5,670
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Ad valorem taxes	\$ 149,299	\$ 140,246
CASH FLOWS FROM CAPITAL AND RELATED FINANCING		
Payments for the purchase of property and equipment	\$ (92,713)	\$ (22,500)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	\$ 12,833	\$ 18,208
Net increase in cash and cash equivalents	\$ 84,642	\$ 141,624
Cash and cash equivalents at beginning of year	<u>1,380,761</u>	<u>1,239,137</u>
Cash and cash equivalents at end of year	<u>\$ 1,465,403</u>	<u>\$ 1,380,761</u>
 Reconciliation of operating loss to net cash provided by operations:		
Operating loss	\$ (17,413)	\$ (31,224)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	45,252	39,485
(Increase) decrease in assets:		
Rent receivable	(6,224)	(4,149)
Prepaid expenses	-	-
Increase (decrease) in liabilities:		
Accrued expenses	<u>(6,392)</u>	<u>1,558</u>
Net cash provided by operating activities	<u>\$ 15,223</u>	<u>\$ 5,670</u>

See Accompanying Notes and Accountants' Report

FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN

NOTES TO FINANCIAL STATEMENTS
See Accountants' Report

Note 1. Organization and Significant Accounting Policies

Organization:

The accompanying financial statements are presented for First Hospital Service District of the Parishes of St. Landry and St. Martin ("Hospital Service District", State of Louisiana. The Hospital Service District, which is a political subdivision of the State, was created by an ordinance adopted by the Parish Governments for the purpose of serving the surrounding area of said parishes.

The Hospital Service District is considered a component unit of the St. Landry Parish Government for reporting purposes as provided in GASB Statement No. 14, *The Financial Reporting Entity*. The accompanying financial statements present only the Hospital Service District and no component units.

The accompanying basic financial statements of the Hospital Service District have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*. GASB 34 established standards for external financial reporting for all state and local government entities, which include a balance sheet or statement of net assets, a statement of revenues, expenditures and changes in net assets, and a statement of cash flows utilizing the direct method of presentation. The statement requires the classification of net assets into four components-invested in capital assets, net of related debt; restricted expendable net assets; restricted nonexpendable net assets; and unrestricted net assets. *Net assets invested in capital assets net of related debt* consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted expendable net assets* are non-capital net assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Hospital Service District. *Restricted nonexpendable net assets* equal the principal portion of permanent endowments. *Unrestricted net assets* are remaining net assets that do not meet the definition of *invested in capital assets net of related debt* or *restricted*. These and other changes are reflected in the accompanying basic financial statements (including the notes to the financial statements).

The more significant accounting policies of the Hospital Service District are described below:

Operation:

Prior to October 19, 1990, the Hospital Service District operated a hospital for acute care services. In December 1990, the Hospital Service District facility was leased to other health care providers.

Method of accounting:

The Hospital Service District utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual method. The Hospital Service District's accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:514 and to the guide set forth in the *Louisiana Governmental Audit Guide*, and the *Audit and Accounting Guide - Health Care Organizations*, published by the American Institute of Certified Public Accountants, and standards established by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

**NOTES TO FINANCIAL STATEMENTS
See Accountants' Report**

Note 1. Organization and Significant Accounting Policies (Continued)

Cash and cash equivalents:

For purposes of reporting cash flows, the Hospital Service District considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Under state law, the Hospital Service District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Accounting standards:

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Hospital Service District has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property, plant, and equipment:

The Hospital Service District records all property, plant and equipment acquisitions at cost, except for assets donated to the Hospital Service District. Donated assets are recorded at fair market value at the date of donation.

The Hospital Service District provides for depreciation of its plant and equipment using the straight-line method in amounts sufficient to amortize the cost of its assets over their estimated useful lives. Amortization expense on assets acquired under capital leases is included in depreciation expense of owned assets.

Equipment	5-10 years
Buildings	40 years

Operating revenues and expenses:

The Hospital Service District's statements of revenues, expenses and changes in net assets distinguishes between operating and non-operating revenues and expenses. Operating revenues result from rental activities, the Hospital Service District's principal activity. Non-exchange revenues, including taxes and investment income are reported as non-operating revenues. Operating expenses are all expenses incurred to provide for the operations of the rental activities.

Income taxes:

The Hospital Service District is a political subdivision and exempt from taxes.

Restricted resources:

When the Hospital Service District has both restricted and unrestricted resources available to finance a particular program, it is the Hospital Service District's policy to use restricted resources before unrestricted resources.

**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

**NOTES TO FINANCIAL STATEMENTS
See Accountants' Report**

Note 1. Organization and Significant Accounting Policies (Continued)

Environmental matters:

The Hospital Service District is subject to laws and regulations relating to the protection of the environment. The Hospital Service District's policy is to accrue environmental and cleanup related costs of a non-capital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty, the potential financial impact of the Hospital Service District's continuing compliance efforts, management believes any future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the Hospital Service District. At June 30, 2009, management is not aware of any liability resulting from environmental matters.

New accounting pronouncements:

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements." This Statement defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This Statement applies to other accounting pronouncements that require or permit fair value measurements. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Hospital Service District adopted this Statement as it applies to fair value measurements in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," as of July 1, 2008. The adoption of this pronouncement had no effect on amounts reported in the financial statements of the Hospital Service District.

Note 2. Bank Deposits and Certificate of Deposit

At June 30, 2009 and 2008, the carrying value (book value) of the Hospital Service District's cash deposits, including demand deposits and certificates of deposit, totaled \$1,740,403 and \$1,655,761, respectively. These deposits are stated at costs, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2009 and 2008, the bank balances of these deposits totaled \$1,743,747 and \$1,655,767, respectively. These deposits are secured from risk by \$500,000 of Federal Deposit Insurance Corporation (FDIC) coverage and \$1,243,747 in 2009 and \$1,455,767 in 2008 was covered by collateral held by the Hospital Service District's agent in the Hospital Service District's name.

Note 3. Ad Valorem Taxes

The Hospital Service District's property tax is levied by the parish on the taxable real property in the district in late October of each year. Bills are sent out in November of each year at which time the Hospital Service District records the tax revenue, and become a lien in the following March. The collection period for the Hospital Service District's property taxes is from December (at which time they become delinquent) to the succeeding May.

Note 4. Leasing of Hospital

In 1996, the Board of Commissioners of the Hospital Service District entered into a lease agreement to lease the Hospital Service District facility. The lessee pays \$5,900 monthly for 169 patient days, and \$15.00 per each additional patient day. Also included in the lease is the provision that the lessee is responsible to reimburse the Hospital service District for utilities, general repairs, and upkeep. The Hospital Service District is responsible for the maintenance and repair of roofing, heating and air conditioning and any improvements to the parking lot. Lease revenue amounted to \$70,800 and \$70,800 for the year ended June 30, 2009 and 2008, respectively. Effective July 1, 2009, the lessee ended the lease of the hospital with the District.

FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN

NOTES TO FINANCIAL STATEMENTS
See Accountants' Report

Note 5. Property and Equipment

Property and equipment additions, retirements, and balances for the years ended June 30, 2009 and 2008 were as follows:

	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009
Land	\$ 16,097	\$ -	\$ -	\$ 16,097
Buildings	1,468,172	-	-	1,468,172
Fixed equipment	169,857	92,713	-	262,570
Movable equipment	338,043	-	-	338,043
Total historical cost	<u>\$ 1,992,169</u>	<u>\$ 92,713</u>	<u>\$ -</u>	<u>\$ 2,084,882</u>
Less accumulated depreciation for:				
Buildings	\$ (1,236,191)	\$ (21,975)	\$ -	\$ (1,258,166)
Fixed equipment	(107,934)	(23,277)	-	(131,211)
Movable equipment	(337,321)	-	-	(337,321)
Total accumulated depreciation	<u>\$ (1,681,446)</u>	<u>\$ (45,252)</u>	<u>\$ -</u>	<u>\$ (1,726,698)</u>
Total property and equipment, net	<u>\$ 310,723</u>	<u>\$ 47,461</u>	<u>\$ -</u>	<u>\$ 358,184</u>

	Balance June 30, 2007	Additions	Retirements	Balance June 30, 2008
Land	\$ 16,097	\$ -	\$ -	\$ 16,097
Buildings	1,468,172	-	-	1,468,172
Fixed equipment	147,357	22,500	-	169,857
Movable equipment	338,043	-	-	338,043
Total historical cost	<u>\$ 1,969,669</u>	<u>\$ 22,500</u>	<u>\$ -</u>	<u>\$ 1,992,169</u>
Less accumulated depreciation for:				
Buildings	\$ (1,207,257)	\$ (28,934)	\$ -	\$ (1,236,191)
Fixed equipment	(97,392)	(10,542)	-	(107,934)
Movable equipment	(337,312)	(9)	-	(337,321)
Total accumulated depreciation	<u>\$ (1,641,961)</u>	<u>\$ (39,485)</u>	<u>\$ -</u>	<u>\$ (1,681,446)</u>
Total property and equipment, net	<u>\$ 327,708</u>	<u>\$ (16,985)</u>	<u>\$ -</u>	<u>\$ 310,723</u>

Depreciation expense for the years ended June 30, 2009 and 2008 amount to \$45,252 and \$39,485, respectively.

**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

NOTES TO FINANCIAL STATEMENTS

See Accountants' Report

Note 6. Accounts Payable

Accounts payable consist of amounts due to a supplier and a management company that have not been settled as of June 30, 2009.

Note 7. Estimated Third Party Payer Settlement

The Hospital Service District has Medicaid intermediary payable balances on cost reports from when the Hospital Service District operated a Hospital in the amount of \$231,899, which has not been settled as of June 30, 2009.

**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

**SCHEDULES OF COMPENSATION PAID TO THE BOARD OF COMMISSIONERS
Years Ended June 30, 2009 and 2008
See Accountants' Report**

Board Members

The Hospital Service District's board members did not receive any compensation during the years ending June 30, 2009 and 2008.



BROUSSARD, POCHÉ, LEWIS & BREAUX, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

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To the Board of Commissioners
First Hospital Service District of the
Parishes of St. Landry and St. Martin
State of Louisiana
Arnaudville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of First Hospital Service District of the Parishes of St. Landry and St. Martin and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about First Hospital Service District of the Parishes of St. Landry and St. Martin's compliance with certain laws and regulations during the year ended June 30, 2009 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000.

**Code of Ethics for Public Officials
and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management appeared on the list provided by management in agreed-upon procedure (2).

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To the Board of Commissioners
First Hospital Service District of the
Parishes of St. Landry and St. Martin
State of Louisiana

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Not legally required to adopt a budget due to operate as enterprise fund.

6. Trace the budget adoption and amendments to the minute book.

Not legally required to adopt a budget due to operate as enterprise fund.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts of more than 5%.

Not legally required to adopt a budget due to operate as enterprise fund.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

- (a) Trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) Determine if payments were properly coded to the correct fund and general ledger account; and

All payments were coded to the proper account and fund.

- (c) Determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the chairman of the Board of Commissioners.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minutes book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Hospital Service District is only required to post a notice of each meeting and the accompanying agenda on the door of the Hospital Service District's office building. Management has asserted that such documents were properly posted; however, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks, bonds, or like indebtedness.

We inspected all entries to the general ledger for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

To the Board of Commissioners
First Hospital Service District of the
Parishes of St. Landry and St. Martin
State of Louisiana

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advance, or gifts.

We inspected all payroll transactions and minutes for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated December 22, 2008, did not include any comments or unresolved matters.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of First Hospital Service District of the Parishes of St. Landry and St. Martin and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Broussard, Poche, Lewis & Broussard, L.L.P.

Lafayette, Louisiana
December 21, 2009

**FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN**

**SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended June 30, 2009**

Nothing Reported.

FIRST HOSPITAL SERVICE DISTRICT
OF THE PARISHES OF ST. LANDRY AND ST. MARTIN

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2009

Section I: Internal Control and Compliance Material to the Financial Statements

N/A

Section II: Internal Control and Compliance Material to Federal Awards

N/A

Section III: Management Letter

There were no matters reported in a separate management letter for the year ended June 30, 2008.

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

(Date Transmitted)

Broussard, Poche', Lewis, & Breaux, L.L.P.
Certified Public Accountants
P.O. Box 61400
Lafayette, LA 70596 (Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 12/31/09
(date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [☒] No []

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No []

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No []

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No []

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No []

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No []

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No []

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [☒] No []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [☒] No []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [☒] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u><i>Terrence L. Lefebvre</i></u>	Secretary	<u>12-31-09</u>	Date
<u><i>Lore Olivier</i></u>	Treasurer	<u>12-31-09</u>	Date
<u><i>Lester Hardy</i></u>	President	<u>12-31-09</u>	Date